United Nations A/C.2/60/SR.26

General Assembly
Sixtieth session

Official Records

Distr.: General
21 November 2005

Original: English

Second Committee

Summary record of the 26th meeting
Held at Headquarters, New York, on Thursday, 10 November 2005, at 10 a.m.

Chairman: Mr. Koudelka (Vice-Chairman) ..... (Czech Republic)

Contents

Agenda item 55: Groups of countries in special situations

(a) Third United Nations Conference on the Least Developed Countries

(b) Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

05-59708 (E)

In the absence of Mr. Wali (Nigeria), Mr. Koudelka (Czech Republic), Vice-Chairman, took the Chair.

The meeting was called to order at 10.10 a.m.

Agenda item 55: Groups of countries in special situations (A/60/111 and A/60/308)

(a) Third United Nations Conference on the Least Developed Countries (A/60/81-E/2005/68)

(b) Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation (A/60/75, A/60/287 and A/C.2/60/2)

1. **Mr. Chowdhury** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States), introducing the report of the Secretary-General on the Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 (A/60/81-E/2005/68), said that an effort had been made to achieve a results-oriented approach in the report, which assessed progress in the implementation of the Brussels Programme against 30 development goals that included all the Millennium Development Goals. Progress was reflected in the matrix in document E/2005/CRP.7 issued during the 2005 substantive session of the Economic and Social Council. The report also evaluated the policies and measures agreed by the least developed countries and their development partners in seven interlinked areas. The principle of partnership was an integral component of the Brussels Programme. Although the least developed countries were primarily responsible for designing and implementing their development strategies, it was through genuine partnership that significant gains would be made.

2. In order to reach the goal on poverty and hunger, the least developed countries would need to grow at an annual rate of at least 7 per cent, with a ratio of investment to GDP of 25 per cent annually. In 2003, their GDP growth rate had reached 5 per cent, with an investment ratio of 22 per cent, but only 11 countries had reached the 7 per cent target, with 7 countries achieving the 25 per cent ratio. Furthermore, the incidence of poverty remained high, at about 43 per cent. The challenge for poverty reduction was even more daunting with the expected surge in global population growth.

3. Special attention must be given to the vulnerability of least developed countries; a number of them were in conflict situations, emerging from conflicts, the origin or home of refugees and internally displaced persons, or geographically disadvantaged as landlocked or small island States.

4. The report of the Secretary-General had identified country ownership problems, lack of capacity and lack of financial resources as the three major obstacles to the implementation of the Brussels Programme. It recommended the formulation of bold national development strategies clearly articulating priorities and called on donors to fully align their assistance with those development strategies and to fulfil their commitments, particularly with respect to ODA, debt relief and trade. The report also recommended that development partners should integrate the Brussels Programme into their development policies and programmes.

5. Preparations for the comprehensive midterm review of the Brussels Programme by the United Nations General Assembly in 2006 had begun in earnest. Two inter-agency consultations had already been held to mobilize and coordinate the preparatory efforts of the United Nations system organizations, specialized agencies, and the funds and programmes. An early decision by the current session of the General Assembly on the modalities of the five-year review would boost the preparatory process, consisting of national, regional and sectoral reviews, the outcomes of which would be made available for the global review in 2006. He strongly urged least developed countries to hold their national reviews by mid-January 2006, with the participation with all stakeholders, in order to ensure the success of the comprehensive review.

6. Certain positive developments augured well for least developed countries. Official development assistance to them in 2004 had increased by 25 per cent over the previous year. The commitment of the European Union to reach the 0.7 per cent target by 2015, with an interim 0.56 target by 2010, and to double ODA to Africa by 2010, would undoubtedly

advance the achievement of the Brussels targets. The operationalization by the World Bank and the International Monetary Fund of the G-8 decision to cancel the external debt of 18 heavily indebted poor countries was a welcome step that needed further expansion in terms of its scope and the number of least developed countries concerned. The special attention of the G-8 Summit to the need for comprehensive market access to products from the least developed countries and to their capacity development needs was particularly encouraging, as was the attention accorded to those countries in recent high-level forums. The 2005 World Summit had given strong support to the cause of least developed countries and the implementation of the Brussels Programme, in particular the ODA target.

7. Introducing the report of the Secretary-General on agenda item 55 (b) (A/60/287), he said that the Almaty Programme of Action was being implemented at an enthusiastic pace, with all parties showing strong commitment to its effective follow-up. Significant progress had been made in coordination and broad-based involvement of United Nations system organizations, active involvement of regional and subregional organizations, support of the international financial institutions and articulation by landlocked developing countries of a common platform for their effective integration into the international trading system as small and vulnerable economies. The report of the Secretary-General provided a detailed account of specific measures undertaken in the five priority areas of the Almaty Programme and provided a brief analysis of the overall socio-economic situation of landlocked developing countries.

8. The economic situation of the countries concerned revealed the negative impact of their geographic locations on their level of development and ability to reduce poverty. Landlocked developing countries remained marginalized, as illustrated by the slow annual growth of their collective per capita GDP of 1.5 per cent in 2003, compared with 2.3 per cent in 2000. Remoteness from major markets and inadequate transit transport systems made them less attractive to foreign investors. Various landlocked and transit developing countries had formulated or implemented transit policy reforms aimed at streamlining transit transportation, so as to reduce transportation costs and increase the competitiveness of their exported goods. In that regard, regional and subregional organizations played a catalytic role. The development of a reliable and efficient transport infrastructure was another key area of focus, since competitiveness in international trade was seriously undermined by the lack of paved road networks and of a reliable rail service.

9. In terms of trade and trade facilitation, he pointed out that a number of landlocked and transit developing countries were not members of the World Trade Organization. Another factor affecting competitiveness and participation in world trade was high trade transaction costs, due to geographical location. In 2003, the share of landlocked developing countries in world exports and imports had been only 0.57 per cent and 0.64 per cent, respectively. The meeting of ministers responsible for trade, held in Paraguay in August 2005, had signalled a move by landlocked developing countries to form an organized group to strengthen their collective bargaining power in international trade negotiations. As specified in the Programme of Action, the international community should pay particular attention to such special needs during the current negotiations on market access and trade facilitation. In 2003, there had been a 13 per cent rise in net ODA compared with 2002. Approximately 2.4 per cent of such assistance had been allocated to transport and communications infrastructure. Landlocked developing countries also stood to benefit from recent commitments to increase ODA, including those of the European Union and the G-8 countries, and the report listed specific support measures undertaken by donors and international financial and development institutions.

10. United Nations agencies and other international organizations had provided enormous resources, expertise and technical support. One of the major achievements in 2005 had been the deepening of global partnerships and the establishment of working relationships with a number of development and regional integration institutions in the field.

11. His Office was committed to supporting landlocked developing countries in overcoming their geographical impediments through increased participation in global trade and in their ongoing fight against poverty. At the 2005 World Summit, leaders had reaffirmed their commitment to address the special needs of landlocked developing countries through effective implementation of the Almaty Programme of Action, and had requested the secretariat to continue its

efforts to develop a set of indicators to measure progress in that regard.

12. **Ms. Hounbedji** (Benin) noted that the results matrix in document E/2005/CRP.7 responded to persistent requests by the least developed countries. The document would of course need to be further refined, but the need for such data was very clear. She asked how the evaluations had been conducted, what plans there were to improve the document in future and, specifically, what was the meaning of the notation "off track" in the column of assessments.

13. **Mr. Chowdhury** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) agreed that the matrix would need to be further refined, updated and improved. The notation "off track" meant that not enough progress had been achieved in that particular area in order to reach the goals established under the Brussels Programme of Action, and that more effort was needed.

14. **Mr. Kogda** (Burkina Faso) asked how the Outcome of the 2005 World Summit could contribute to the implementation of the Brussels Programme of Action and to the midterm review.

15. **Mr. Chowdhury** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) said that the Outcome of the Summit had demonstrated a strong political commitment to assist vulnerable groups of countries, and that his Office was in the process of identifying specific actions to further that commitment. The preparations for the comprehensive midterm review and other major international events would provide even more opportunities to reinforce the commitment of world leaders, least developed countries and their development partners to the agreed targets of implementation.

16. **Mr. Buffa** (Paraguay) asked how the international financial institutions could be encouraged to consider the need for improvements to infrastructure and transport.

17. **Mr. Chowdhury** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) paid a tribute to the Government of Paraguay for its leadership in promoting the interests of landlocked countries, and for hosting the meeting of the ministers responsible for trade of landlocked developing countries. The organizations within the United Nations system and a number of multilateral bodies had keenly pursued the objectives and priorities laid down in the Almaty Programme of Action. The positive response of the financial institutions, particularly as regards the special priority they had given to resource allocations for the transport sector, augured well for the implementation of the Almaty Programme. It would be wise to continue to develop the relationship with those institutions and to take every opportunity to highlight the needs of landlocked developing countries, in order to seize the momentum gained since the adoption of the Programme.

18. **Mr. Kittikhoun** (Lao People's Democratic Republic), speaking in his capacity as Chairman of the Group of Landlocked Developing Countries, inquired whether the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States had sufficient staff members to accomplish its task.

19. **Mr. Chowdhury** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) said that the Office was small; that did not, however, necessarily hamper its role. Thus far, it had been productive. The adoption of the Almaty Programme of Action in 2003 had invigorated activities on behalf of the groups concerned and the Office would be glad to increase its staff as activities grew. The transport sector had been identified as a priority, for example. His Office would, of course, continue to consult with the Chairman of the Group of Landlocked Developing Countries, and with those countries themselves.

20. **Ms. Mills** (Jamaica), speaking on behalf of the Group of 77 and China, said that, as the Secretary-General's report on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 (A/60/81-E/2005/68) indicated, despite significant progress by some least developed countries, the goals of the Brussels Programme of Action were not being achieved. There was clearly a need, as noted in paragraph 71 of the report, to strengthen the partnership between the least developed countries and

their development partners. Developed countries that had not yet done so should reach the target of 0.20 per cent of their gross national income (GNI) as ODA, and all development partners should align their support with the countries' national development strategies.

21. The Sixth World Trade Organization (WTO) Ministerial Meeting would provide an important opportunity for real action to address the needs of least developed countries in the multilateral trading system. Special attention should be given to duty-free and quota-free access of all products originating in such countries to the markets of developed countries, and to ensuring that the principle of special and differential treatment permeated the negotiations and final outcome of the Meeting. In that regard, the international community was likely to support measures and initiatives aimed at strengthening productive capacities and accelerating economic growth and sustainable development in least developed countries. Also important was speeding up the process of accession for least developed countries to WTO, so as to achieve universality for that organization.

22. The United Nations had a critical role to play in advancing the goals of the Brussels Programme of Action by measuring progress in planning, policymaking, institutional reform and resource mobilization. The Group of 77 and China supported integrated and coordinated follow-up to and implementation of the outcomes of major United Nations conferences and summits and looked forward to the comprehensive review of the implementation of the Brussels Programme of Action during the sixty-first session of the General Assembly. The Secretary-General should consult Member States, the United Nations system as a whole and all relevant stakeholders with a view to assisting least developed countries in preparing their reviews at the national and regional levels. In addition, the annual progress report should place greater emphasis on results, performances and analyses, in order to assess, on a practical basis, the progress achieved by least developed countries and their development partners.

23. The Almaty Programme of Action provided a much-needed global framework for partnership for the purpose of establishing efficient transit transport systems in least developed countries which faced dire problems owing to their remoteness and lack of access to the sea. While the comprehensive overview provided in the Secretary-General's report (A/60/287) was welcome, much remained to be done. Reducing transaction costs and establishing efficient transport systems would require closer, more effective cooperation and collaboration at all levels, and the Group of 77 and China therefore supported the recommendation, in paragraph 74 of the report, that organizations within the United Nations system should intensify their efforts to articulate a methodology to measure the progress in establishing efficient transit transport systems.

24. Donor countries and the international finance and development institutions should make contributions, both through ODA and through contributions to the Trust Fund established to facilitate the follow-up and implementation of the outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation. In addition, the concerns of landlocked developing countries should be fully addressed at the Sixth WTO Ministerial Meeting, with a view to making the multilateral trading system more responsive to their concerns and needs, as discussed in the Asunción Platform for the Doha Development Round. Lastly, the Group of 77 and China requested the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States to further mobilize and coordinate international support and resources, including through comprehensive advocacy strategies, on behalf of those countries.

25. **Mr. Thomson** (United Kingdom), speaking on behalf of the European Union; the acceding countries Bulgaria and Romania; the candidate countries Croatia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Serbia and Montenegro and the former Yugoslav Republic of Macedonia; and, in addition, Ukraine and the Republic of Moldova, said that, since both the Presidency of the European Union and the Permanent Representative of the European Commission had recently delivered statements concerning the landlocked developing countries at the Sixth Annual Ministerial Meeting of Landlocked Developing Countries, copies of which were available, he would concentrate his remarks on the least developed countries.

26. The European Union and its member States maintained close ties with individual members of the

group of least developed countries, as well as with the group as a whole. Having hosted the Third United Nations Conference on the Least Developed Countries in Brussels in 2001, it was committed to the implementation of the Brussels Programme of Action. The recent reaffirmation of the Millennium Development Goals provided a substantive platform on which to build a global environment conducive to poverty eradication and the sustainable development of the least developed and most vulnerable countries.

27. The European Union welcomed the Secretary-General's report on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 (A/60/81-E/2005/68) and the efforts to make it more results-oriented and analytical. With regard to Commitment 5 of the Brussels Programme of Action, it believed that the Doha Development Round could be brought to an early and successful conclusion in all areas of negotiation, particularly since its broad, pro-development agenda combined trade liberalization with rule-making and complementary aid for trade and trade-related assistance.

28. Although trade often contributed to economic growth and poverty alleviation, that result was not automatic, immediate or direct, and sometimes not measurable. Integration into the multilateral trading system could offer significant opportunities but generating growth would also depend on policies and decisions adopted by developing countries themselves. While donors and such instruments as the Integrated Framework for Trade-Related Technical Assistance could help, the genuine commitment of the least developed countries was necessary in order to integrate trade into development strategies. Preferential market access was particularly important for the poorest countries; in that context, the European Union still offered the most open and most important market for developing country exports globally. Since 2001, the Everything but Arms initiative had provided duty-free and quota-free access to all exports from least developed countries. The European Union urged other developed countries and more advanced developing countries to do the same, and hoped that such a commitment would be achievable at the Sixth WTO Ministerial Meeting.

29. With reference to Commitment 7, the European Union was committed to providing more and better aid and cancelling debts owed by heavily indebted poor countries at their completion points. It also recognized the value of innovative sources of finance to help meet the Millennium Development Goals. Currently, most of the countries exceeding the target for ODA were members of the European Union; in June 2005, the Union had adopted a new collective target of 0.56 per cent of Gross National Income (GNI) by 2010 and had undertaken to achieve a 0.7 per cent target by 2015, with significant levels earmarked for the least developed countries. That landmark agreement should double European Union aid by 2010. It was important to recognize that resources must also be mobilized at country levels within the least developed countries, by, for example, creating appropriate taxation mechanisms. Efforts on the part of those countries was critical to creating the conditions for private capital flows.

30. With regard to Commitment 2, the European Union continued to believe that good governance was essential to sustainable development and welcomed steps taken by some least developed countries to amend their constitutions with a view to enhancing democratic processes. It also welcomed the ratification of the United Nations Convention against Corruption by six least developed countries. Stable democratic institutions were necessary for sustainable economic growth and poverty eradication, as were peace, security, respect for human rights and the rule of law, gender equality and a fundamental commitment to just and democratic societies.

31. Although the international community was firmly on the road to global development, more remained to be done to implement the Brussels Programme of Action. It was important to recall that the report called for development partners to integrate the principles of the Brussels Programme of Action into their development policies, strategies and programmes.

32. Lastly, the European Union welcomed the remarkable progress that Cape Verde had made in recent years in its goal of graduating from the group of least developed countries, appreciated that country's efforts to consult stakeholders at the national level, and looked forward to learning more about its transition strategy.

33. **Mr. Kittikhoun** (Lao People's Democratic Republic), speaking in his capacity as Chairman of the Group of Landlocked Developing Countries, said that the Group fully supported the recommendations contained in the Secretary-General's report (A/60/287),

and associated itself with the statement made by Jamaica on behalf of the Group of 77 and China. It was gratified by the progress made in the implementation of the Almaty Programme of Action, and in particular by the tremendous efforts made by stakeholders to translate its five Priorities into action. The landlocked developing countries were cooperating with their transit neighbours with a view to improving transit policies and developing efficient transit transport systems in Asia, Africa and Latin America, with the assistance of donors and development partners.

34. That was, however, the beginning of a long journey. The establishment of efficient transit transport systems would require enhanced partnership by all stakeholders, including the private sector. It was imperative, therefore, for the principles of the Almaty Programme of Action to be integrated into strategies and work programmes, and to create greater awareness of that programme at national, regional and global levels. In that context, the Group of Landlocked Developing Countries called on the international community to provide greater financial and technical support to landlocked and transit developing countries, and in particular to contribute generously to the Trust Fund.

35. The Group of Landlocked Developing Countries welcomed the joint communiqué adopted at the High-Level Meeting on the Role of International, Regional and Subregional Organizations in the Implementation of the Almaty Programme of Action, which stressed the importance of setting common indicators to monitor progress in establishing efficient transit transport systems in landlocked and transit developing countries, and called for further initiatives in various regional and subregional organizations. The Office of the High Representative should further mobilize and coordinate international support and undertake advocacy and monitoring for the full and effective implementation of the Almaty Programme of Action, in accordance with its mandate. The Office should be strengthened accordingly.

36. With reference to Priority 3 of the Almaty Programme of Action, the Asunción Platform for the Doha Development Round represented the position of the Group of Landlocked Developing Countries with respect to the trade round to be resumed during the Sixth WTO Ministerial Conference. Aspects of critical importance to the Group included trade facilitation, small and vulnerable economies, agriculture, non-agricultural market access, special and differential treatment, accession, technical cooperation, and capacity-building. The Group of Landlocked Developing Countries, with Paraguay acting as coordinator, had decided to pursue a strategy aimed at overcoming disadvantage and improving competitiveness in the world trading system. The Group urged the Office of the High Representative to expand coordination and cooperation with relevant international organizations with a view to assisting it in the pursuit of such a strategy.

37. Particular attention should be given to products of interest to landlocked developing countries, as called for in the Almaty Programme of Action, the São Paolo Consensus and various General Assembly resolutions. WTO should consider issues related to trade by small, vulnerable economies and frame responses to such issues to facilitate the fuller integration of those countries into the multilateral trading system, in accordance with the Doha Work Programme. The special needs of landlocked developing countries should also be taken into consideration in the WTO negotiations on trade facilitation.

38. Alone, landlocked developing countries would not be able to meet their international commitments. They therefore hoped that support would be increased — both in the form of ODA from the donor community and South-South cooperation — to assist landlocked and transit developing countries in their efforts to build human and institutional capacities, to develop efficient transit transport and trade facilitation systems, and to promote export diversification.

39. **Ms. Houngbedji** (Benin), speaking on behalf of the Least Developed Countries Coordination Bureau, said that little had been accomplished to date and that the comprehensive global review in 2006 was therefore extremely important, because it would provide an opportunity for defining the necessary modifications to ensure implementation of the commitments made under the Brussels Programme.

40. The global review should take the form of a high-level intergovernmental meeting of the General Assembly in September 2006, preceded by a five-day meeting of experts. Regional meetings should also be organized to strengthen cooperation mechanisms at the regional and subregional levels. The results of such meetings would provide a basis on which the international community could structure a series of

specific measures for implementing its commitments under the Programme of Action. At the same time, the least developed countries themselves should organize national reviews to evaluate the progress achieved and the problems encountered. The agencies of the United Nations system should also undertake sectoral evaluations of the implementation of the Programme of Action with the participation of the focal points in the least developed countries. Accordingly, the Secretary-General was requested to mobilize the financial resources needed to ensure the necessary participation.

41. **Mr. Maema** (Lesotho), speaking on behalf of the Southern African Development Community (SADC), said that the efforts of SADC were undermined and frustrated by factors such as low levels of economic growth and difficulties in integrating the global economy, natural disasters, and the widespread impact of communicable diseases.

42. The Brussels Programme of Action provided a global framework for the least developed countries in their efforts to achieve sustained economic growth and sustainable development, and eradicate poverty; its implementation was urgent. Such countries lacked the financial, human and institutional capacity to respond to the development challenges confronting them and, should the current situation persist, it was projected that the number of people living in extreme poverty could increase by over 40 per cent by 2015. While those countries had the primary responsibility for their development, it was imperative that the international community, including the private sector and civil society, provide much-needed support.

43. Southern Africa continued to experience a debilitating debt burden that affected its ability to finance social and economic development. Indeed, some members spent more on debt servicing than on key social sectors necessary for achieving the Millennium Development Goals. Consequently, the only lasting solution was debt cancellation for the least developed countries. It was urgent to establish a framework to operationalize the G-8 proposal to cancel the debt of some highly indebted poor countries and also to find a solution to the debt burden of other least developed countries in the region.

44. SADC strongly supported the comprehensive global review of the Brussels Programme of Action to be undertaken in 2006, which should address the constraints and challenges facing the least developed countries in the implementation of the Programme of Action. In addition, it attached great importance to the full implementation of the Almaty Programme of Action, and had established the Directorate of Infrastructure and Services to facilitate implementation at the regional level.

45. **Mr. Chowdhury** (Bangladesh) said that, within the context of the Brussels Programme of Action, there should be adequate policy space for the developing countries to draw up their own strategies to attain the Millennium Development Goals and other development goals. While development was primarily a national concern, the international community should provide the global background and the enabling environment.

46. Democracy had taken firm root in Bangladesh. The Government had established anti-corruption mechanisms; however, the immediate focus was to find the financial resources to make the oversight institutions operational. Also, domestic initiatives to alleviate poverty needed to be supported by the financial and technical assistance of development partners. Bangladesh had achieved considerable progress in its socio-economic sectors and had reduced the number of poor significantly; however, it needed to improve the lot of a further 20 million people over the next 10 years to achieve the relevant Millennium Development Goal.

47. Trade was a powerful engine of growth but, sadly, the share of the 50 least developed countries in world trade was dwindling. It was imperative that the international community take a series of urgent measures to reverse the trend and provide meaningful market access. Financial resources were the single most critical element in achieving the goals of the Brussels Programme of Action. Developing countries were urged to contribute 0.40 per cent of their gross national product as official development assistance to the least developed countries; distribution of ODA should be rational and not politically motivated. Moreover, aid could be most effective when infused as direct budgetary support for nationally designed development projects.

48. Global economic governance and financial architecture needed to be revitalized to ensure coherence and consistency and the voice and participation of the least developed countries in international economic decision-making should be strengthened.

49. Vulnerability to natural disasters and the effects of climate change was another characteristic of the least developed countries. The international community should grant the necessary technical and financial assistance to mitigate the impact of such disasters and help with reconstruction. External debt was also a heavy burden on the least developed countries and the international community should consider debt cancellation measures.

50. **Mr. Aliyev** (Azerbaijan), speaking also on behalf of Georgia and Turkey, said that the three countries were committed to the development of an efficient transit transport system in the region in implementation of the Almaty Programme of Action, in order to ensure sustainable development and security in the South Caucasus region, as well as in Eurasia as a whole.

51. The transport infrastructure was being improved along the Europe-Caucasus-Asia corridor, based on the revival of the historic silk route, and a joint declaration had recently been signed on a railway connection project, which would play a key role in the process of integration with the Trans-European Railway Network. The participation of regional and international institutions and other investors interested in promoting and financing the project was of paramount importance.

52. Speaking as the representative of Azerbaijan, he said that the use of his country's transit potential, particularly restoration of the "Great Silk Route", was not only a priority in the development of the transportation system, but also a factor of economic growth. The Basic Multilateral Agreement on International Transport for Development of the Europe-Caucasus-Asia Corridor had contributed to the growth in the volume of shipments through the corridor. Issues related to the stimulation and establishment of favourable conditions for transportation were reflected in the legislative base and the normative documents. In addition, Azerbaijan had acceded to the revised Kyoto Convention (International Convention on the Simplification and Harmonization of Customs Procedures) and was promoting policies for its implementation.

53. Several highway projects had also been developed in recent years, and work had been carried out on oil pipelines, ports and the international airport. A national automated passport system had been established, which significantly reduced the time spent on passport control while increasing its reliability. Also, temporary settlement points had been built in the southern part of the country to protect the rights of refugees crossing the State border; it was planned to build similar points in the northern part of the country.

54. Azerbaijan welcomed the analysis of the impact of geographical factors on the overall economic performance of landlocked countries and endorsed its results. The adoption of the Asunción Platform for the Doha Development Round presented a clear vision on how to overcome marginalization. Its provisions should be taken into account in the forthcoming WTO negotiations to make the development dimension of the Doha Round a reality for the landlocked developing countries.

55. **Mr. Yao** Wenlong (China) said most of the least developed countries faced difficulties in their efforts to achieve economic development: while their debt burden had grown, ODA had increased very little. Owing to their limited production capacity, they were unable to benefit fully from various preferential market access arrangements. They therefore required the support of the international community to help them build their human and institutional capacity, mobilize development resources, and improve their production and supply capacity. Increases in ODA and debt relief were also urgently required. Trade was the engine for the development of the least developed countries, but technical assistance for trade-related capacity-building was required. Also, the developed countries should endeavour to improve the external trade environment for such countries and increase their market access possibilities.

56. For many years, the Chinese Government had provided assistance to the least developed countries and had recently announced further measures to help other developing countries in areas such as debt relief, concessionary loans and human resource development. China hoped that the comprehensive global review of the Brussels Programme of Action would lead to practical adjustments that would ensure the achievement of the Programme's objectives.

57. The particularly difficult conditions of the landlocked developing countries deserved the attention of the international community. As a transit country, China understood their difficulties and had actively engaged in trade and economic and technical cooperation to support their economic development. It

was pleased to note that practical steps had been taken in the five priority areas identified by the Almaty Programme of Action. Earlier in the year, China and Kazakhstan had signed a strategic partnership agreement, which included full use of the transit advantages of the two countries. China would continue to provide transit transport services to its neighbours on the basis of equality and mutual benefit. It was also willing to increase economic and technical cooperation with the least developed countries and the landlocked developing countries through bilateral and multilateral channels to contribute to their development.

58. **Mr. Chem** (Cambodia) said that his country had been relegated to the least developed country category because of the destruction wrought by conflict, war and genocide. The Government was preparing a national strategic development plan for 2006-2010 to guide its efforts towards achievement of the Millennium Development Goals by 2015. Good governance was the driving force behind its strategy for achieving economic growth and promoting social equity and justice through a substantial reduction in poverty. Cambodia had reduced the rate of poverty, currently 35 per cent, by 8 per cent between 1994 and 2004. Furthermore, its nascent textiles industry had continued to flourish upon the country's accession to WTO; it was taking steps to diversify its economy and embrace light industrial, as well as agro-business activities, but it was facing tariff and non-tariff barriers. Securing access to developed country markets remained a top priority, especially for agricultural products, since 80 per cent of Cambodia's population made their living from agricultural production and related activities. Reaffirming the relevance of the Brussels Programme of Action, he noted that the least developed countries continued to face economic difficulties and urged the developed countries to honour their commitments under the Programme. The United Nations system had the appropriate structure for the successful implementation of the Programme and he hoped that the high-level midterm review of the Programme in New York in September 2006 would give it fresh impetus. While the initiative of the United States of America and the intention of the European Union to reduce their huge agricultural subsidies were encouraging, further substantial adjustments were needed to usher in mutual benefits to all concerned.

59. **Ms. Droyer** (Norway) said that, although under the Brussels Programme of Action and the Millennium Declaration the main responsibility for development lay with the least developed countries themselves, the international community shared responsibility for a successful follow-up and for making progress in eradicating poverty and securing a decent living for poor people throughout the world, especially in the least developed countries. While encouraging progress had been made in many countries, including the introduction of important reforms, greater attention should be paid to Africa and the least developed countries in order to prevent an increase in the number of people living in extreme poverty. In that regard, she was encouraged by recent initiatives to strengthen development cooperation with Africa and the least developed countries. The least developed countries needed more and better aid. While Norway welcomed the commitments made by most developed countries to increase ODA and the time-bound commitments to reach the agreed United Nations target of 0.7 per cent of GNI, it was disappointed that the 14 per cent increase in overall ODA to least developed countries from 2002 to 2003 actually amounted to a decrease in disbursements to those countries, after debt relief, emergency and food aid had been excluded from the statistics.

60. Least developed countries, the main beneficiaries of Norway's ODA, which had consistently exceeded the United Nations targets, needed targeted debt relief. That was why the Debt Sustainability Framework, which focused on prudent borrowing and lending was very important. A debt relief proposal that could reduce the debt burden immediately was needed. Norway therefore welcomed the G-8 proposal to cancel multilateral debt to poor countries and believed it must be implemented in full. Other measures, such as increasing investment and improving market access and further integration in the international trading system were equally important. Norway, for its part, had granted least developed countries duty- and quota-free access to its market since 2002 and encouraged other developed countries to follow suit.

61. The current WTO negotiations provided the framework for improving the least developed countries' position in multilateral trade. Indeed, Norway was willing to make Doha a "round for free" for the poorest countries. There was also a need to develop the production and trade capacity of, and employment opportunities in, the least developed countries. Norway was a major supporter of the

Integrated Framework for Trade-Related Technical Assistance to least developed countries, the Joint Integrated Technical Assistance Programme for African countries and various trust funds for technical assistance in the context of UNCTAD, the International Trade Centre and WTO. The international community had the tools to reduce poverty and create sustainable economic and social development in the least developed countries; all that was required was the will to put plans into action.

62. **Mr. Pathak** (India) said that the implementation of the Almaty Programme of Action required cooperation among landlocked developing countries, transit developing countries and their developed country partners. That was why the international community and donor countries needed to continue to allocate additional financial resources and technical assistance for capacity-building in physical infrastructure. Transit developing countries faced many challenges in providing transit transport facilities to landlocked countries, even when areas in their own countries remained as remote from the sea as those of landlocked countries. In that regard, India accorded the highest priority to enhancing its relations with Bhutan and Nepal, including through the strengthening of trade and cooperation on transit issues. Under a 1995 Agreement, Bhutan benefited from free third-country exports and imports, while the procedures for the transit of Nepalese cargo through Indian territory had been considerably improved and simplified under a 1999 Treaty of Transit.

63. Referring to the Brussels Programme of Action, he urged the development partners of least developed countries and other developing countries to provide more and better aid, debt relief and improved market access to those countries in their efforts to achieve higher growth rates, improve service delivery and reduce poverty. Indeed, finding a durable solution to the debt problem would result in the reduction of debt-servicing obligations and increases in social spending. India had demonstrated its commitment in that regard by writing off the debt owed by seven highly indebted poor countries and welcomed the recent G-8 decision on irrevocable debt cancellation for those countries. The commitments to provide additional resources must be implemented without delay.

64. He shared the view that domestic resources should be the foundation for self-sustaining development and called for priority to be given to capacity-building. However, efforts to mobilize domestic resources needed a supportive and stable international environment characterized by non-discriminatory trading, monetary and financial systems. Stressing the important role that ODA could play in catalysing private investment in countries not receiving significant FDI flows, he supported efforts to strengthen and ensure national ownership of development assistance programmes and welcomed the steps taken by some development partners to open up their markets to exports from least developed countries. The international community should help those countries to build capacity in manufacturing and other sectors to enable them eventually to diversify away from dependence on commodity exports. There had been a significant expansion in trade between the least developed and other developing countries in recent years, with least developed country exports increasing by 20 per cent in less than 15 years, while the share of other developing countries in least developed country imports had risen by almost 25 per cent during the same period. That was eloquent testimony to the potential for enhanced South-South cooperation.

65. **Mr. Penjo** (Bhutan) called upon all stakeholders to make every effort to fulfil the commitments made in the World Summit Outcome, the Brussels and Almaty programmes of action and the São Paolo Consensus. Expressing disappointment at the insufficient progress achieved five years into the implementation of the Brussels Programme of Action, he said that the midterm review in 2006 of the Programme should be comprehensive and held at the highest possible level. Adequate resources from the regular budget as well as extrabudgetary sources should be mobilized to ensure the success of the preparatory meetings and the midterm review itself. Without financial support, least developed countries would find it extremely difficult to participate in the meetings.

66. He supported the recommendations contained in the Secretary-General's report, stressing, inter alia, the need to fully integrate the Brussels Programme of Action into the development policies, strategies and programmes of development partners; and improve the collection, organization, analysis and exchange of statistical information to build national capacities for monitoring progress. The midterm review should ensure that stakeholders fully fulfilled their commitments with regard to ODA, since least

developed countries had a limited resource base. He commended the developed countries that had met or exceeded the ODA target of 0.7 per cent of GDP, welcomed the timetable established by many of them to achieve that target by 2015 and urged those that had not yet established such a timetable to do so soon. Developed countries were also urged to allocate 0.2 per cent of their ODA to the least developed countries. The primary responsibility for development rested with individual countries and Bhutan was doing everything required to realize the goals of the Brussels Programme of Action and the Millennium Declaration with the generous financial and technical support of its development partners.

67. **Mr. Loizaga** (Paraguay) said that his country had been the coordinator for trade and development issues of the Group of Landlocked Developing Countries since 2003. It had coordinated special meetings of the Group in Cancún, São Paolo and, most recently, in Asunción, to work out a common position for the multilateral trade negotiations. The Group would hold a parallel ministerial meeting during the forthcoming WTO Ministerial Meeting to ratify the agreements reached in the Asunción Platform and work out a strategy to defend its interests. Landlocked developing countries required more vigorous international support to overcome the difficulties they faced owing to their geographic location. International, regional and subregional development and financial organizations should provide more assistance to members of that Group of countries, which were hindered in their efforts to join global markets by their remoteness, prohibitive transport costs and lack of infrastructure. WTO should grant special and differentiated treatment to landlocked least developed countries, which should be given more effective assistance to implement trade facilitation agreements. International financial institutions and regional organizations should assist those landlocked countries in establishing better and more efficient transit transport systems so that they could increase their competitiveness and join the international trading system.

The meeting rose at 1 p.m.